

**THE CITY OF DEXTER
REGULAR CITY COUNCIL MEETING
MONDAY, JULY 25, 2022**

A. CALL TO ORDER / PLEDGE OF ALLEGIANCE

The City Council Meeting was called to order at 7:02 PM by Mayor Keough and was held at 3515 Broad Street.

B. ROLL CALL:

Sanam Arab – Present
Paul Cousins – Absent
Donna Fisher – Absent
Jamie Griffin – Present
Wa-Louisa Hubbard – Present
Zach Michels – Present
Mayor Shawn Keough – Present

Student Representatives:
Bonnie Keating – Present
Adam DiGregorio – Present

Also attending: Justin Breyer, City Manager and City Clerk; Michelle Aniol, Community Development Manager; Marie Sherry, Finance Director/Treasurer/Assessor; Josh Tanghe, Assistant to the City Manager; Ashley Elliston-Cowher, Recording Secretary; Grace Whitney, Associate Planner (remotely); Mike Kloak, Meeder Public Funds (remotely); residents; and media.

C. APPROVAL OF THE MINUTES

1. City Council Work Session – July 11, 2022
2. City Council Meeting – July 11, 2022

Motion Griffin; support Hubbard to approve the minutes of the July 11, 2022 City Council Work Session and Regular City Council Meeting with the following change:

- Council Comments, Member Hubbard’s comment regarding Dave Lutton’s presentation should read “attainable housing,” not “affordable housing.”

Ayes: Hubbard, Michels, Griffin, Arab, Keough
Nays: None
Absent: Fisher, Cousins
Motion carries

D. PRE-ARRANGED PARTICIPATION

1. Mike Kloak, Meeder Public Funds

- Overview - June 2022 outlook will have another rate increase, going back down in August or December. Although projections are generally positive, a recession still could be likely. Inflation remains high across all sectors of the economy.
- Current Portfolio – City of Dexter
 - Just over \$4M is currently invested, primarily in a money market fund. There is likely 12-18 months before yields dip and the portfolio will be in a better place. Some funds were invested out to the maximum maturity of 5 years.
 - A question was asked about the range of yield. Mr. Kloak responded that trades were 3-3.25%, but the typical range could vary from that.
 - A council member asked for clarity on the source of these funds. Treasurer Sherry responded that these are primarily reserve funds, some of which are undesignated. There are also other funds, including DDA and water/sewer funds.

E. APPROVAL OF AGENDA

Motion Arab; support Griffin to approve the agenda as presented.

Ayes: Michels, Griffin, Arab, Hubbard, Keough

Nays: None

Absent: Fisher, Cousins

Motion carries

F. DECLARATION OF CONFLICTS OF INTEREST

None

G. PUBLIC HEARINGS:

None

H. NON-ARRANGED PARTICIPATION

None

I. COMMUNICATIONS:

1. Upcoming Meeting List

- a. Dan Schlaff's name needs to be removed from the Washtenaw Area Transportation Study

J. REPORTS:

1. Finance Director/Treasurer/Assessor – Marie Sherry

Ms. Sherry provided her written report as per packet. Ms. Sherry provided the following updates to the report:

- There was a kick-off meeting with ClearGov. Would like to thank Council for moving forward with ClearGov. Ms. Sherry also reported that City of Dexter is no longer above OPEB funding requirements, but only by a small margin that is expected to recover.
- Clarification was provided about the interpretation of the table on page 21 of the packet regarding how to read the percentages that describe the percent of the budget categories spent.
- Congratulations were provided on nomination for the PRIME award (nominated by peers in municipal finance).
- A question was asked if some of the funds had not been reconciled from the latest utility bill. Ms. Sherry confirmed that was correct.
- A question was asked about page 26 for unassigned fund balance and if the funds from the fire station would come from this fund. Ms. Sherry confirmed that was correct, but would not recommend taking the fund down to \$0.
- A question was asked about the table on page 26 and if it reflects the amount from FY 21-22. Ms. Sherry confirmed that was correct.

2. Public Services Superintendent – Tim Stewart

Mr. Stewart provided his written report as per packet. Mr. Breyer provided the following updates to the two-week report:

- A comment was made thanking Tim for trimming trees.
- A question was asked about mowing along the path near the schools and if the mowing is done in 2 phases. Mr. Breyer responded it may be completed in two shifts.
- There was a walk with OHM to review the area for the proposed Grand Street Connector.
- Brian Services was in Dexter today to re-lay bricks in the circular seating area in Mill Creek Park and clearing brush under the boardwalk.
- A question was asked about the duck rocker missing in the Community Park and if that was intentional. Mr. Breyer responded that he had not heard about the rocker and would look into it.

3. Community Development Manager – Michelle Aniol

Ms. Aniol submitted her written report as per packet. Ms. Aniol provided the following updates:

- A question was asked about the potential annexation of the Sloan-Kingsley property and how that would affect watering restrictions. Mr. Breyer responded that he does

not anticipate it would change the restrictions, but may require more active enforcement of policy.

- A question was made about “please walk your bike stencils” and if people may be more likely to see it if it was a sign. A resident mentioned that Beer Grotto, specifically, would be a high-risk area for a collision. A suggestion was made that putting up reflective mirrors in strategic areas which could increase visibility for bikers and pedestrians. Ms. Aniol responded that if the goal is to have people walk their bikes, it has to be considered how to enforce the requirement to walk a bike. Ms. Aniol added that if the focus is safety, the approach might be different, but would still require an enforcement component.
- There will be a new ‘spiritual spa’ business opening next to the Fillmore. They will offer spa services, counseling, and spiritual guidance. It is likely to open before Labor Day and Dexter Daze.

4. Sherriff Report – None
5. Board, Commission, & Other Reports – None
6. Subcommittee Reports – None
7. City Manager Report – Justin Breyer

Mr. Breyer submitted his written report as per packet. Mr. Breyer provided the following update:

- A question was asked about the ADA report for the parks and if we had recently completed a report. Mr. Breyer responded the previous review was based on insurance liability, so though it is similar to the ADA report, it is not the same.
- City of Dexter offices will be open on Saturday for absentee ballots. As of today, we are around 450 returned ballots and there were around 1,100 issued.
- The deadline to file for City Council is tomorrow, 7/26 at 4pm.
- Staff are working on getting the summer newsletter out. A draft has been sent to the printer, but still needs final approval.
- Polo shirts should arrive shortly from the printer.

8. Mayor Report – Shawn Keough

Mr. Keough submitted his written report as per packet. Mr. Keough provided the following updates:

- A meeting was held with a subset of the DDA and 3045 Broad Committee. Representatives of Common Sail, the group interested in developing the 3045 Broad property, are interested in a pre-development agreement with the DDA and the City of Dexter. They want to have a six-month agreement period with the ability to extend by 120 days. They want to go through a detailed financial analysis and validate some of their assumptions with a consultant, PM Environmental, before purchasing a property. They may want to propose a two-story parking structure, which would cost \$6-7 million to build where tenants

from the residential development could lease spaces. The City has been involved in pre-development agreements before. In the near future, the Mayor would like to share the draft agreement with Council to get their input. There would be no obligation for any party to move forward. Ultimately, DDA and Common Sail would work through the details of the agreement and it would be put to vote, with Council also being a voting party.

- A question was asked about the funds that the City of Dexter would receive as part of the agreement. It was commented that a previous pre-development agreement with Norfolk, they paid \$25K with an additional \$10K if they extended it, whereas Common Sail is offering \$1K with no additional funds to extend.
- A comment was made that it looks like community engagement elements were removed from the draft agreement that Council had seen and they thought it would be important to put it back into the agreement.
- A comment was made that this agreement would be done through a PUD, so there would need to be some public benefit. This may require a list of items for the developer to understand what would be considered public benefit.

9. Council Member Reports - None

K. CONSENT AGENDA:

1. Consideration of: Bills & Payroll in the amount of: \$280,000.80
2. Consideration of: Homecoming Parade Road Closure Permit
3. Consideration of: Relocation of Wellhouse VFDs for an Amount not to Exceed \$46,550

Motion Hubbard; support Arab to approve the Items 1, 2, and 3 of the Consent Agenda.

Ayes: Michels, Arab, Hubbard, Griffin, Keough

Nays: None

Absent: Fisher, Cousins

Motion carries

L. UNFINISHED BUSINESS-Consideration and Discussion of:

None

M. NEW BUSINESS-Consideration and Discussion of:

1. Consideration of: Kids Land Montessori

Based on the recommendation of the Planning Commission, and the information provided by the applicant and staff at the July 25, 2022 City Council meeting, and pursuant to the requirements of Article XXI of the Zoning Ordinance, the City Council moves to approve

AP2021.22-14 Combined Preliminary and Final Site Plan for Kid's Land Montessori, subject to the following conditions:

1. Submittal of a revised site plan, addressing all conditions of approval recommended by the Planning Commission; and
2. The applicant's offered to dedicate the public right-of-way shall be accepted; and
3. Staff reviews dated, July 20, 2022 and July 1, 2022; and
4. CWA review dated, June 24, 2022; and
5. OHM review dated, June 27, 2022; and
6. DAFD review dated, June 21, 2022.

Ayes: Griffin, Arab, Michels, Hubbard, Keough

Nays: None

Absent: Fisher, Cousins

Motion carries

2. Consideration of: Low Income Housing Water Assistance Program
 Memorandum of Understanding

Motion Michels; support Arab to enter into a memorandum of understanding for the Low Income Housing Water Assistance Program being conducted by the Community Action Board (through the Office of Community and Economic Development) of Washtenaw County.

Ayes: Arab, Hubbard, Griffin, Michels, Keough

Nays: None

Absent: Fisher, Cousins

Motion carries

3. Discussion of: 8050 Main St. and Lease with Hotel Hickman

Discussion included:

- Council expressed interest in having an understanding of the previous uses of the property. Local historians were contacted, but the most recent use is Hotel Hickman, whose lease is coming up for renewal in October.
- A question was asked to clarify if the previous uses were primary food-based. Mr. Breyer confirmed this was correct.
- A comment was made that if the City of Dexter were to try to sell the property, it would be beneficial to have a mechanism to pay for the property without having to pay up front. Additionally, if the property was sold, that it would be written into the agreement that City of Dexter would have first right of refusal if the property was sold in the future. It was stated that selling the property could be beneficial so the City of Dexter would not have to maintain the property and that the payment agreement could have guidelines on what types of changes would or would not be allowable.
- A question was asked about how a sale price would be set. A Council Member responded that they could start with getting the property appraised.

- A question was asked if the current lessee expressed interest in buying it at the end of the lease agreement. Mr. Breyer responded that he can check in with the current lessee to learn more about their thoughts on the upcoming lease renewal. It was also commented that it would have to be brought to public vote before it could be sold.
- A comment was made that we should consider if the rent is currently fair market value, or if the cost of rent may need to increase it.
- A comment was made that keeping a historical property, like this one, in City of Dexter's possession would be preferable to selling it, but re-visiting the lease agreement to have the lessee responsible for more maintenance could be beneficial.

4. Discussion of: Fire Station

Discussion included:

- A question was asked about how Council would like to set up the next few meetings. There is currently a scheduled regular meeting and work session.
- A question was asked about the funding, millage, and available funds for the fire station and how much would have to be asked from by the public. Mayor Keough responded that we could set aside \$1,000,000 and ask for the rest.
- A suggestion was made to make ballot language for the fire station a consideration item at the next meeting.
- A suggestion was made that Council consider what the plan will be if a millage does not pass to support the fire station.
- A suggestion was made to send out educational materials to give information about the proposal on the ballots. A suggestion was also made to have a public meeting.
- A comment was made that when taxpayers feel that their taxes are going up, it is often due to county-wide mileages. It would be helpful to provide information for taxpayers about where the money is going.
- A comment was made that even though we are building a bigger station and contributing money to that, we are already getting service from other stations via the service they provide to the community. In addition, anything that we are able to do to have more firefighters in the community, the better service response times there will be.
- A suggestion was made to add guiding principles and opportunity statements in the next packet.

5. Discussion of: Sloan-Kingsley Property

Discussion included:

- A comment was made that the idea of development on that property has been around for nearly 20 years and that communities have varying priorities. There could be room to come together and talk about each stakeholders' priorities.
- A comment was made that this is potentially the last large piece of property that could be added to the City of Dexter. It was also commented that it would be

important to ensure both the City of Dexter and Scio Township were enthusiastic about the purchase. It was suggested that it could be beneficial to consider creating a joint planning commission before a potential annexation.

- A question was asked about which zoning ordinances would be used. Council Member Michels responded that we could use Dexter's zoning information, but could also create a new zoning ordinance for this area.
- A comment was made about considering the costs and benefits of this potential annexation with both Scio Township and the City of Dexter. Council Member Michels responded that some benefits of annexing the property for Dexter would be creating more space for homes that would contribute funding to schools, the opportunity to sink more wells if they are available on the property, and that the property taxes could help increase funding for the water and sewer system.
- A suggestion was made to reach out to the Supervisor in Scio Township to have a conversation about the property. It was suggested that 3 members from the Dexter City Council and 3 members from the Scio Township Board of Trustees would meet and summarize goals. That summary could be brought back to the rest of council and decide how to move forward from there.
- It was suggested that it may make sense to first speak with the property owner to ensure their goals also align before moving forward and that it would be helpful to have a better understanding of the property owner's goals, as they are also likely seeking some benefit.
- A comment was made that it can be promising that Scio Township does not currently have plans for the property, meaning it may be easier to create a plan together.
- Mayor Keough will reach out to the Supervisor of Scio Township to organize a meeting to talk through each community's goals, hopes, and thoughts.

N. COUNCIL COMMENTS (paraphrased or summarized by Recording Secretary)

Michels: None

Cousins: Absent

Fisher: Absent

Arab: None

Hubbard: None

Griffin: Don't forget to vote on August 2nd. There is still time to request your absentee ballot.

Student Representatives:

DeGregorio: I am going into my sophomore year and excited to be here.

Keating: It is interesting to learn about all of the ongoing projects.

O. NON-ARRANGED PARTICIPATION

None

P. ADJOURNMENT

Motion Arab; support Griffin to adjourn the meeting at 9:05 PM.

Unanimous voice vote approval.

Respectfully submitted,

Justin Breyer
City Manager and City Clerk

Approved for Filing: _____